

# FARM VIABILITY ENHANCEMENT PROGRAM

## Frequently Asked Questions

### **Q. What is the Farm Viability Enhancement Program?**

A. FVEP is a business planning program designed to look at ways of diversifying and modernizing an existing farm's operation. Application is by a competitive process and once selected a farm goes through a technical assistance and business planning phase. If after the business plan is completed and the farmer is willing to implement the changes recommended in the business plan AND sign an agricultural use only covenant for a period of five or ten years, the Department may make money available to implement the changes recommended in the business plan.

### **Q. Who is eligible to participate?**

A. The Department is seeking farmers who intend to have their land in continued agricultural use and who wish to enhance the economic viability of their farm. Farm operations must have been in active use for at least the three previous years to be eligible and applicants will be asked to present tax returns evidencing farming activities. Any Massachusetts farmer with at least 5 acres of land in agricultural production is eligible to apply. Farmers on leased land may be eligible if the land owner is a co-applicant, is willing to sign an agricultural covenant, and there is a land use agreement between the farmer and the landowner for at least the term of the covenant.

### **Q. How do I apply to the Farm Viability Program?**

A. A request for responses is usually announced in late winter/spring of each year. At that time, applications are available in a Request for Response on the official Commonwealth of Massachusetts procurement web site [www.commbuys.com](http://www.commbuys.com). All postings and open application periods are dependent upon available funding. Dates may change from year to year. DAR's web site, [www.Mass.gov/agr](http://www.Mass.gov/agr), will also have updated information and applications.

### **Q. What are the criteria for selecting applications?**

A. Applications are evaluated and selected based on: the degree of threat to the continuation of agriculture on the land, the number of acres to be placed in the program, the current intensity of use on the farm and its significance and contribution to the state's agricultural industry, whether the farm has diversified into retail or value-added activities, the agricultural experience of the operator, whether environmental objectives would be accomplished through the program, and the productivity of the land based on soil quality, physical features and location.

### **Q. How does the program work?**

A. If selected, a team is organized for each farm and is comprised of professionals from various disciplines including agriculture, marketing, finance, management and environmental sciences. Following an assessment of the farm's financial records, management practices, equipment, buildings,

and natural resources, the team will make recommendations for improving the viability of the farm. Working with the farmer, the recommendations would be prioritized and contained in a complete business plan for the farm. The farmer then may request funding for plan implementation in exchange for an Agricultural Covenant.

**Q. How much money is available through the Program?**

A. Technical assistance and the development of a business plan are provided at no cost to the farmer. Farmers who are then willing to sign an Agricultural Covenant are eligible to receive funding. Up to \$25,000 is available for farmers willing to agree to a covenant for a period of five years. Up to \$50,000 is available to farmers willing to agree to a ten year covenant. Awards of up to \$75,000 or more may go to farmers meeting certain additional acreage and production thresholds, and agreeing to a ten year covenant.

**Q. What are the conditions and terms in the Agricultural Covenant?**

A. The covenant is a deed restriction prohibiting any uses on the farm except agricultural uses. The covenant is recorded at the registry of deeds and prohibits activities detrimental to the agricultural use of the land for a specific number of years, five or ten. Rights retained by landowners include the right to privacy and to carry out regular agricultural practices, to maintain the farm in its present condition, and to construct or place temporary structures for agricultural uses. Prohibited uses include construction or placement of non-agriculturally related temporary or permanent structures, and non- agricultural uses on the land. Prior written approval may be requested for certain agricultural structures or uses that do not derogate from the intent of the covenant.

**Q. When do farmers receive funds?**

A. Once the business plan is complete, usually taking 3 to 6 months for the team consulting process; a contract is prepared with a timetable for how and when funds are to be spent. Upon execution of the contract, funds are released in a lump sum. Typically this is in late winter or spring of each year. The contract terminates with the farmer reporting with the records and receipts of the expenditures made with funds received from the Program.

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